



# Money, Money

- Analysis of Education Costs, Waste, and Profiteering

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#### Introduction

The financial landscape of education in the UK warrants scrutiny as significant funds are being spent, yet frontline delivery remains under strain. This analysis sheds light on the allocation of resources within the education sector, particularly concerning independent special schools and teacher supply agencies.

# **Independent Special Schools**

Private entities operating independent special schools have generated substantial profits, often at the expense of public funds:

- Private equity-backed companies and a Middle East sovereign wealth fund have reaped millions in profits from private SEND schools.
- Council spending on independent and non-maintained special schools (NMSS) has more than doubled since 2015-16, reaching £1.3 billion in 2021-22.
- The average cost per pupil in independent special schools is nearly double that of state-funded school places for SEND pupils.
- The number of SEND pupils sent to independent special schools has tripled in recent years due to insufficient state-funded provision.

## **Supply Agencies**

Teacher supply agencies have capitalised on the growing demand for temporary staff, raising concerns about quality and excessive profit-taking:

- 3.2 million teaching days were missed due to sickness in 2022, leading to increased reliance on supply teachers.
- Three-quarters of supply teachers worked through agencies in 2021, with the markup rate averaging at 38%.
- Government data indicates that schools spent £974 million on supply teachers from agencies in 2021-22, marking an 18% increase since 2016-17.

#### **Consequences and Critics**

The financial practices within both sectors have raised eyebrows and criticisms:

- Anne Longfield, former Children's Commissioner, condemns the exorbitant profits made by private special schools as detrimental to statutory services.
- Supply agencies' hefty markup rates and substantial profits have drawn attention to their exploitation of the education system.

## **Call to Refocus Education Spending**

NASUWT calls for a re-evaluation of education spending to prioritise frontline delivery and address waste and profiteering:

- Redirect funds from private entities towards bolstering state provision for SEND pupils.
- Implement measures to regulate markup rates and ensure fair compensation for supply teachers.
- Advocate for transparency and accountability in financial practices within the education sector.

#### Conclusion

The misallocation of resources within education threatens the quality and accessibility of learning opportunities for students. It is imperative that policymakers refocus spending to



support frontline delivery and safeguard public funds from exploitation by private entities. By addressing these issues, we can ensure a more equitable and sustainable education system for all.

#### **About Us**

NASUWT is The Teachers' Union and is the voice of the teaching profession.

Our aim is to improve and protect the status, morale and working conditions of the teaching profession so that teachers and headteachers can provide the best education and support to children and young people.

We are committed to ensuring that teachers and headteachers are recognised and rewarded as highly skilled professionals with working conditions that enable them to focus on their core role of leading teaching and learning.

## **Further Information**

For further information please email campaigns@mail.nasuwt.org.uk



nasuwt.org.uk